Ipsos Public Affairs

The Recession Has Led Nearly Half of Americans to Change Their Financial Planning Strategy

U.S. Adults Aged 30 and Older Have Grown More Risk-Averse

NEW YORK LIFE

Ipsos Public Affairs

Public Release Date: September 15, 2010, 3:00 pm EST

Ipsos Public Affairs is a non-partisan, objective, survey-based research practice made up of seasoned professionals. We conduct strategic research initiatives for a diverse number of American and international organizations, based not only on public opinion research, but elite stakeholder, corporate, and media opinion research.
Ipsos has media partnerships with the most prestigious news organizations around the world. In the U.S and internationally, Ipsos Public Affairs is the polling agency of record for Reuters News, the world's leading source of intelligent information for businesses and professionals, and the Hispanic polling partner of Telemundo Communications Group, a division of NBC Universal providing Spanish-language content to U.S. Hispanics and audiences around the world.
Ipsos Public Affairs is a member of the Ipsos Group, a leading global survey-based market research company. We provide boutique-style customer service and work closely with our clients, while also undertaking global research.
To learn more, visit: www.ipsos-na.com
For copies of other news releases, please visit:http://www.ipsos-na.com/news-polls/

Ipsos Public Affairs

The Recession Has Led Nearly Half of Americans to Change Their Financial Planning Strategy

U.S. Adults Aged 30 and Older Have Grown More Risk-Averse

New York, NY – Nearly half of adults aged 30 and older (46%) have changed the way they handle financial planning as a result of the ongoing economic downturn, according to a new survey of over 1,000 U.S. adults conducted by Ipsos Public Affairs on behalf of New York Life. Actions taken in reaction to the "Great Recession" include starting to save a greater percentage of their monthly income (22%), taking new steps to protect their assets (19%), considering the financial strength and/or reputation of companies before engaging with them financially (14%), consulting a financial professional about long-term financial objectives and needs (14%), and increasing funding of their retirement nest egg (13%). However, 54% of adults 30 and older say that they have not taken any of these actions since the start of the economic downturn in 2008.

Men are more likely than women to report having taken each one of these steps, particularly when it comes to doing more to protect their assets (23% of men vs. 14% of women) and increasing their retirement savings (17% vs. 9%).

Among those who report that the recession has motivated them to consult a financial planner about their long-term goals, one quarter (25%) say it was the first time they had sought the advice of a professional.

Roughly one third (32%) of those aged 30 and older who have taken new steps to protect their assets in light of the economic crisis say this involved buying or increasing their life insurance coverage.

Thinking about their experience during the recession, nearly half of those surveyed (46%) say that they are taking less risk now than they did before the recession, including one quarter (26%) who say that they are taking *much* less risk than they used to. An additional 46% say that they are taking about the same amount of risk, while just 7% say that they are taking *more* risk now than they did before the downturn.

When asked which of four types of investments they believe delivered the highest returns in the ten-year period ranging from 1999 to 2009, U.S. adults aged 30 and older are most likely to select "an index of the stocks of 500 large American companies" (37%), ahead of a basic savings account (24%), a portfolio of bank certificates of deposit (21%), and a permanent life insurance policy from a financially secure company (17%).

While an index of stocks is the most common response among both men and women surveyed, men are more likely to select it than are women (45% vs. 30%).

Differences also emerge across age groups; adults aged 30 to 49 are more likely than those 50 and older to believe that a basic savings account provided the best returns over the past ten years (31% vs. 19%).

These are some of the findings of an Ipsos poll conducted July8-15, 2010. For the survey, a national sample of 1,004 adults aged 18 and older – including 847 adults aged 30 and older – from Ipsos' U.S. online panel were interviewed online. Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the U.S. adult population according to Census data and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of 1,004 and a 100% response rate would have an estimated margin of error of +/- 3.1 percentage points 19 times out of 20 of what the results would have been had the entire adult population aged 18 and older in the United States had been polled. A survey with an unweighted probability sample of 847 and a 100% response rate would have an estimated margin of error of +/- 3.4 percentage points 19 times out of 20 of what the results would have been had the entire adult population aged 30 and older in the United States had been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

For more information on this news release, please contact:

Rebecca Sizelove
Senior Research Manager
Ipsos Public Affairs
212.584.9253

Releases are available at: http://www.ipsos-na.com/news/